

GOVERNANCE POLICY

Policy number	1.01	Version	2025v5
Responsible Person	CEO	Approval date	October 2025

INTRODUCTION

ASHM Health (ASHM) is a membership-based, not-for-profit public company limited by guarantee, registered with the Australian Charities and Not-for-profit Commission (ACNC) and governed by the Corporations Act 2001 (Cth).

ASHM is committed to best practice governance, ensuring ethical leadership, legal compliance, and strategic oversight in pursuit of its charitable purpose. ASHM's governance practices are guided by its Constitution and ACNC standards and informed by the AICD Not-for-Profit Governance Principles. These principles provide a sector-recognised benchmark for ethical governance and continuous improvement.

The ASHM Board holds ultimate legal and fiscal responsibility for the organisation. It sets delegations (including to Board committees) and oversees strategic planning and management. Governance responsibilities include:

- **Internal Governance:** Ensuring effective collaboration between the Board, CEO, staff, volunteers, service users, members, and stakeholders within a structured framework.
- **External Governance:** Managing relationships and ensuring compliance with legal and regulatory requirements.

PURPOSE

The purpose of this policy is to:

- Define the governance structure and responsibilities.
- Ensure alignment with ASHM's Constitution and legal obligations.
- Promote transparency, accountability, and strategic leadership.
- Support continuous improvement in governance practices.

DEFINITIONS

Governance is concerned with the systems and processes that ensure the overall direction, effectiveness, supervision, and accountability of an organisation.

The Governance Manual comprises this Policy, the Constitution, Board Charter, and Compliance Manual.



POLICY

ASHM is committed to the pursuit of best practice governance including full compliance with its legal and other obligations.

Governance Structure

The Board

- Holds ultimate responsibility for the organisation's governance.
- Provides strategic leadership, oversight, and accountability.
- Delegates day-to-day operations to the CEO or Executive Director.

a. Composition

- The Board consists of **7 to 12 Directors**, including Office Bearers (President, President Elect, Vice Presidents, Treasurer) and Ordinary Directors and up to 3 Independent Directors may be appointed by the Board to address skills needs.
- One position is designated for an Aboriginal and/or Torres Strait Islander person.
- Directors are elected or appointed in accordance with the Constitution.

b. Powers and Duties

- The Board has full authority over ASHM's affairs, except where powers are reserved for members.
- It may delegate powers to committees or individuals, subject to oversight.

c. Meetings and Decision-Making

- The Board meets at least **four times per year**.
- Decisions are made by majority vote; the Chair does not hold a casting vote.

The Committees

- The Board may establish committees (e.g. Finance, Risk, Governance) to support its work.
- Committees operate under terms of reference approved by the Board.
- Each committee will ensure that outcomes and recommendations are aligned with ASHM's current Risk Appetite Statement and relevant compliance requirements, referring matters outside appetite or tolerance levels directly to the Board

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- Led by the CEO, responsible for implementing Board-approved strategies and managing day-to-day operations.
- Reports regularly to the Board.

Governance Principles

ASHM's governance is guided by a set of core principles that underpin the Board's commitment to ethical leadership and effective oversight. These principles include:

Leadership and Strategic Direction – The Board is responsible for setting ASHM's long-term vision and ensuring the organisation's sustainability through strategic planning and leadership.

Clear Roles and Oversight – A clear delineation exists between governance and management: the Board provides oversight and direction, while the CEO and executive team are responsible for operational execution.

Transparency and Integrity – ASHM upholds open communication, ethical decision-making, and integrity in all governance practices to foster trust and accountability.

Stakeholder Accountability – The Board is committed to being responsive to the needs and expectations of members, staff, partners, and the communities ASHM serves.

Risk and Financial Stewardship – The Board ensures robust risk management and financial oversight to safeguard the organisation's assets and reputation.

Governance Excellence – ASHM promotes continuous improvement through regular evaluation of governance practices, Board performance, and policy effectiveness.

Integration with Risk and Compliance – ASHM's governance processes are closely aligned with its risk management and compliance activities. The Board receives consolidated reports that present governance performance alongside key risks, compliance obligations, and appetite metrics. This ensures that decision-making is informed by a comprehensive view of organisational risk and compliance. Committees, including the FRMA, play defined roles in reviewing and endorsing these reports prior to Board consideration.

Key ASHM Governance Documents

The ASHM Constitution

The ASHM Constitution sets out the rules of how the organisation is organised internally, importantly governing the relationship between Members, Board, and Operations/Staff.

The Constitution is subject to periodic review to ensure it remains compliant, efficient, and consistent with good practise. Changes to the Constitution require approval by the Voting Members following processes set out within the Constitution. Company law means that a number of changes may not be made, e.g., appointment of the external auditors must sit with the members.

The Board Charter

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The Board Charter sets out the respective roles, responsibilities, and authorities of the board of directors and management in setting the direction, the management and control of the organisation plus documents how the Board functions.

The Compliance Policy and Procedure

The Compliance Manual provides a high-level overview of ASHM's compliance responsibilities and documents the methods by which ASHM manages these compliance risks.

Governance Manual:

Includes this policy and related procedures.

Roles and Responsibilities

ASHM's governance is underpinned by a clear delineation of roles to ensure effective oversight, strategic leadership, and operational accountability. The Board of Directors holds ultimate responsibility for the organisation's governance, including setting strategic direction, approving policies, and overseeing performance, risk, and compliance. The Chief Executive Officer (CEO) is responsible for implementing Board-approved strategies and managing day-to-day operations, while ensuring alignment with ASHM's mission and regulatory obligations. The Chief Finance and Operations Officer (CFOO) supports governance by maintaining the Governance Manual, overseeing constitutional amendments, and ensuring compliance with ACNC and other relevant standards. This structure ensures that governance and management functions are distinct yet complementary, enabling ASHM to operate with integrity, transparency, and efficiency.

Stakeholder Engagement

ASHM is committed to meaningful engagement with its stakeholders, recognising that stakeholder relationships are central to achieving its strategic objectives and maintaining public trust. The Board oversees stakeholder engagement and ensures that stakeholder interests are understood and considered in decision-making.

ASHM identifies key stakeholders through its strategic planning process, including members, staff, funding bodies, government agencies, healthcare workers, and community partners. Engagement is embedded across ASHM's operations and supported by a Board-approved policy on primary stakeholder participation.

ASHM maintains formal processes for managing partnerships, including due diligence, capacity assessments, feedback mechanisms, and agreements. Stakeholder input is sought through consultation, committees, and feedback channels, and is considered in risk-based Board decisions.

ASHM provides accessible mechanisms for stakeholder complaints and feedback, including a confidential online portal. Complaints are reported to the Board to ensure appropriate oversight and response.

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FEES AND EXPENSES

ASHM Board positions are voluntary and unpaid. Directors contribute their time and expertise in support of ASHM's mission without financial remuneration.

Travel and subsistence expenses incurred for attending face-to-face Board meetings will be reimbursed by ASHM in accordance with ASHM's Travel Policy and related procedures. Directors are expected to follow ASHM's expense claim process and submit relevant documentation promptly.

Review and Amendments

- Governance Manual reviewed every three years.
- Amendments to Constitution require member approval.
- Policy updates approved by the Board.

RELATED POLICIES

3.03 Risk Management

3.05 Delegations

AUTHORISATION

ASHM Board

HISTORY

Version	Approved Date	Comments/ Amendments
2018v1	20-11-2018	First version
2022v2	17-03-2022	Updated for: <ul style="list-style-type: none">- Voting members as per 2020 Constitution- links- changes to the structure of the AICD's 10 principles of best practice governance
2022v3		Updated for: <ul style="list-style-type: none">• new external links• external policy compliance review
2023v4	28-11-2023	<ul style="list-style-type: none">• Updated company name to ASHM Health• Simplified policy and procedures generally & removed references to AICD guidance (given ACNC Standards are the governance requirements directly relevant to ASHM)
2025v5	September 2025	<ul style="list-style-type: none">• Updated for:<ul style="list-style-type: none">– Reintroduction of AICD Not-for-Profit Governance Principles as a benchmark for continuous improvement– Expanded governance structure including Board

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		<p>composition, committees, and executive management</p> <ul style="list-style-type: none">– Enhanced stakeholder engagement and feedback mechanisms– Detailed governance procedures including Board operations, elections, induction, CEO delegation, and breach protocols– Introduction of governance tools such as dashboards, registers, and evaluation matrices
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GOVERNANCE PROCEDURE

Procedures number	1.01	Version	2025v5
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1. BOARD OPERATIONS

The ASHM Board meets at least four times annually. The Chairperson, in consultation with the CEO, prepares the agenda, including standing items and contributions from Board members. Items not listed on the agenda may be raised under *Any Other Business* with the approval of the Chair.

Board papers must be concise, self-contained, and circulated at least seven days prior to meetings. Papers must clearly state their purpose and include recommendations where decisions are required. The Secretary coordinates the preparation and distribution of Board papers in consultation with the CEO.

The CEO provides a written report to each Board meeting covering:

- Program and operational performance
- Progress against strategic priorities
- Emerging risks and issues
- Compliance matters
- Significant management activities

Minutes must accurately reflect decisions made and the key considerations informing those decisions. Draft minutes are circulated within 21 days and confirmed at the subsequent meeting. An action items register is maintained and distributed with the minutes.

Directors may participate in meetings via approved virtual technology. Virtual attendance counts toward quorum.

The Board may meet in camera without the CEO present where appropriate, including for CEO performance or remuneration discussions. These meetings are minuted and retained confidentially.

A quorum for Board meetings is determined in accordance with the ASHM Constitution. Decisions made outside a quorate meeting have no effect unless subsequently ratified by the Board.

All Board papers and records are retained for at least seven years. Directors are expected to attend all meetings unless exceptional circumstances apply. Absence from three consecutive meetings without reasonable cause may result in termination in accordance with the Constitution.

Board discussions and materials are confidential unless otherwise resolved by the Board. Directors may consult staff on Board matters with prior notification to the CEO. Board papers must not be shared externally without the approval of the Chair.

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Directors must comply with ASHM's information security and privacy obligations when accessing, storing, or transmitting Board materials, including when using personal devices.

2. BOARD ELECTIONS

To ensure transparency and compliance with the ASHM Constitution, Board election processes are clearly defined.

Nominations for Ordinary Director positions must be submitted no later than four days prior to the Annual General Meeting (AGM). Nominations for the position of President Elect must be submitted at least 45 days before the relevant Board meeting at which the election is scheduled.

All nominations must:

- Be submitted in writing
- Be signed by two Voting Members
- Include the nominee's written consent

The Board appoints a Returning Officer to oversee elections and ensure fairness, integrity, and compliance with governance standards.

3. MEMBERSHIP GOVERNANCE

ASHM maintains multiple membership classes, including:

- Ordinary
- Honorary Life
- Student
- Retired
- Sustaining
- Complimentary
- Organisational
- Affiliate

Voting rights are limited to Ordinary Financial Members and Honorary Life Members.

Membership applications, transitions, and terminations are governed by the ASHM Constitution and approved by the Board.

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ASHM convenes an Annual General Meeting (AGM) each financial year in accordance with its Constitution. The AGM includes:

- Election of Ordinary Directors
- Presentation of annual reports and audited financial statements
- Appointment of the external auditor
- Consideration of member resolutions

Voting Members may attend in person or via approved virtual technology, with participation counting toward quorum.

4. DIRECTOR INDUCTION AND DEVELOPMENT

Upon appointment, all new Directors receive an induction pack including:

- ASHM Constitution
- Board Charter
- Strategic and Operational Plans
- Compliance Framework
- Risk Management documents
- Insurance policies
- Annual Report
- Codes of Conduct
- Contact details of fellow Directors

Directors must complete a declaration of interests and are provided with the Board and committee meeting schedule.

The Chairperson and CEO provide an induction briefing covering ASHM's strategy, governance responsibilities, and organisational context. The Secretary ensures all statutory documentation is completed.

Directors participate in governance and compliance refresher training at least every two years, or more frequently where legislative, regulatory, or organisational changes occur.

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5. OFFICEHOLDER ROLES

5.1 Chairperson

The Chairperson is elected from among the Directors and chairs Board and general meetings. The Chairperson provides leadership and ensures effective governance.

Responsibilities include:

- Line management of the CEO
- Ensuring strategic leadership and organisational vision
- Promoting effective Board operations
- Leading Board performance evaluations
- Setting agendas in consultation with the CEO and Secretary
- Supporting Director engagement and development
- Acting as the primary liaison between the Board and CEO
- Representing ASHM publicly and with key stakeholders

5.2 Secretary

The Secretary is appointed by the Board and may be a Director or a suitably qualified individual.

Responsibilities include:

- Maintaining accurate organisational and statutory records
- Coordinating Board meetings and distributing papers
- Ensuring minutes are recorded and retained
- Administering member notices and regulatory filings
- Acting as the official point of contact for ASHM
- Maintaining governance registers and custody of governance documents

6. CEO DELEGATION AND REPORTING

The CEO is appointed by the Board and is responsible for implementing Board-approved strategy and managing day-to-day operations.

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Authority is delegated to the CEO through the Delegations of Authority Policy, which is reviewed at least annually or following material organisational change.

CEO responsibilities include:

- Developing and implementing strategic and operational plans
- Ensuring legal, regulatory, and compliance obligations are met
- Managing organisational resources and staff
- Advising the Board on performance, risks, and opportunities
- Representing ASHM to stakeholders and partners
- Leading the executive team and fostering an ethical culture

The CEO reports to the Board on:

- Financial performance
- Risk and compliance matters
- Work health and safety
- Strategic initiatives and outcomes

CEO remuneration is determined by the Board. Expense approvals and conflict-of-interest provisions apply.

CEO performance is reviewed annually by the Board, led by the Chairperson, against agreed objectives including strategic delivery, financial sustainability, compliance, stakeholder engagement, and organisational culture. Outcomes are documented and inform development and governance improvements.

7. KEY GOVERNANCE TOOLS

7.1 Board Charter

- **Usage:** Reviewed annually by the Board
- **Responsibility:** Secretary facilitates updates
- **Procedure:** Included in induction materials and governance reviews

7.2 Strategic and Operational Plans

- **Usage:** Developed annually; reviewed quarterly
- **Responsibility:** CFOO oversees alignment with budgeting

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- **Procedure:** Tabled at Board meetings and linked to dashboard reporting

7.3 Risk and Compliance Registers

- **Usage:** Updated regularly and reviewed quarterly against the Risk Appetite Statement
- **Responsibility:** Risk & Compliance Officer
- **Procedure:** Reviewed by the Finance, Risk and Management Assurance (FRMA) Committee and escalated to the Board where thresholds are exceeded

7.4 Board Evaluation and Skills Matrix

- **Usage:** Conducted at least every two years
- **Responsibility:** Chair and Secretary
- **Procedure:** Outcomes inform succession planning, recruitment, and professional development

7.5 Policy Manual

- **Usage:** Updated as required to reflect legislative and organisational changes
- **Responsibility:** Policy Owners
- **Procedure:** Accessible via the intranet and communicated through governance updates

7.6 Performance Dashboard

- **Usage:** Updated monthly
- **Responsibility:** CFOO and department leads
- **Procedure:** Presented at each Board meeting to monitor strategic progress

8. GOVERNANCE BREACH PROTOCOL

ASHM maintains a formal process to manage suspected or actual governance breaches.

8.1 Reporting a Breach

- Breaches may be reported by Directors, staff, or stakeholders
- Reports are submitted in writing to the Chairperson or Secretary
- Anonymous reporting is permitted via the designated governance email or portal

8.2 Initial Assessment

- The Chairperson and Secretary assess the breach
- Where either party is involved, an independent Director leads the assessment

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8.3 Investigation

- A formal investigation may be initiated, involving the FRMA Committee where appropriate
- All investigations are documented and conducted confidentially

8.4 Resolution and Action

- Findings and recommendations are presented to the Board
- Actions may include policy changes, training, disciplinary action, or external reporting

8.5 Documentation and Review

- All breaches and outcomes are recorded in the Governance Register
- De-identified breach trends are reviewed annually by the Board to inform continuous improvement

RELATED DOCUMENTS

- ASHM Constitution
- ASHM Board Charter
- ASHM Compliance Manual
- ASHM Policies and Procedures

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